


|  <p>Financial Assistance Award</p> <p>DENALI COMMISSION 510 L Street, Suite 410 Anchorage, Alaska 99501 (907) 271-1414 (phone) (907) 271-1415 (fax) www.denali.gov</p> | | Award Number | 01298-00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| | | Award Title | TCC - Interior Regional Energy Plan | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Performance Period | September 1, 2010 through September 30, 2012 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Authority 112 Stat 1854 | | CFDA Number 90.100 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Denali Commission Finance Officer Certification | | Ms. Jennifer Price 09/22/2010 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Recipient Organization & Address DENA' NENA' HENASH dba Tanana Chiefs Conference 122 1st Ave Ste 600 Fairbanks, AK 99701-4871 Phone: 907 474-5475 Recipient DUNS # 071845358 TIN # 92-0040308 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Cost Share Distribution Table | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| <table border="1" style="width: 100%; border-collapse: collapse; text-align: center;"> <thead> <tr> <th rowspan="2">Accounting Code</th> <th colspan="2">New Funding</th> <th colspan="2">Prior Period Funding</th> <th rowspan="2">Total</th> </tr> <tr> <th>Denali Commission</th> <th>Other Contributors</th> <th>Denali Commission</th> <th>Other Contributors</th> </tr> </thead> <tbody> <tr> <td>95670000</td> <td>\$299,810.00</td> <td></td> <td>\$0.00</td> <td></td> <td>\$299,810.00</td> </tr> <tr><td></td><td>\$0.00</td><td></td><td>\$0.00</td><td></td><td>\$0.00</td></tr> <tr><td></td><td>\$0.00</td><td></td><td>\$0.00</td><td></td><td>\$0.00</td></tr> <tr><td></td><td>\$0.00</td><td></td><td>\$0.00</td><td></td><td>\$0.00</td></tr> <tr><td></td><td>\$0.00</td><td></td><td>\$0.00</td><td></td><td>\$0.00</td></tr> <tr><td></td><td></td><td>\$0.00</td><td></td><td>\$0.00</td><td>\$0.00</td></tr> <tr><td></td><td></td><td>\$0.00</td><td></td><td>\$0.00</td><td>\$0.00</td></tr> <tr><td></td><td></td><td>\$0.00</td><td></td><td>\$0.00</td><td>\$0.00</td></tr> <tr><td></td><td></td><td>\$0.00</td><td></td><td>\$0.00</td><td>\$0.00</td></tr> <tr><td></td><td></td><td>\$0.00</td><td></td><td>\$0.00</td><td>\$0.00</td></tr> <tr> <td>Total</td> <td>\$299,810.00</td> <td>\$0.00</td> <td>\$0.00</td> <td>\$0.00</td> <td>\$299,810.00</td> </tr> </tbody> </table> | | | | Accounting Code | New Funding | | Prior Period Funding | | Total | Denali Commission | Other Contributors | Denali Commission | Other Contributors | 95670000 | \$299,810.00 | | \$0.00 | | \$299,810.00 | | \$0.00 | | \$0.00 | | \$0.00 | | \$0.00 | | \$0.00 | | \$0.00 | | \$0.00 | | \$0.00 | | \$0.00 | | \$0.00 | | \$0.00 | | \$0.00 | | | \$0.00 | | \$0.00 | \$0.00 | | | \$0.00 | | \$0.00 | \$0.00 | | | \$0.00 | | \$0.00 | \$0.00 | | | \$0.00 | | \$0.00 | \$0.00 | | | \$0.00 | | \$0.00 | \$0.00 | Total | \$299,810.00 | \$0.00 | \$0.00 | \$0.00 | \$299,810.00 |
| Accounting Code | New Funding | | Prior Period Funding | | Total | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | Denali Commission | Other Contributors | Denali Commission | Other Contributors | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 95670000 | \$299,810.00 | | \$0.00 | | \$299,810.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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| Total | \$299,810.00 | \$0.00 | \$0.00 | \$0.00 | \$299,810.00 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission constitutes an obligation of federal funding. | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Award Conditions to the Financial Assistance Award between the Denali Commission and Tanana Chiefs Conference (TCC) for Interior Regional Energy Plan, Award No. 01298 Continued on the following pages | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Signature of Authorized Official - Denali Commission Electronically Signed | | Typed Name and Title Mr. Joel Neimeyer Federal Co-Chair | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| | | Date 09/21/2010 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

AWARD ATTACHMENTS

DENA' NENA' HENASH

01298-00

1. Award Conditions - Interior Regional Energy Plan

***Award Conditions to the Financial Assistance Award
Between the Denali Commission and Tanana Chiefs Conference (TCC)
For Interior Regional Energy Plan
Award No. 01298
August 2010***

1. Scope of Work

This proposal provides \$299,810 for the development of an Interior Regional Energy Plan, which is collaboration between Tanana Chiefs Conference, the Alaska Center for Energy and Power (ACEP) at the University of Alaska Fairbanks (UAF) and the Interior Regional Housing Authority (IRHA). As the grantee, TCC shall receive \$22,087 for both direct and indirect activities and shall enter into sub-agreements with ACEP (\$61,821) and the IRHA (\$185,902) to carry out the activities stated in this agreement. Additional conceptual design activities in the amount of \$30,000 are authorized and detailed below.

The Interior Regional Energy Plan will take a village-by-village approach to assess current power generation facilities, current and proposed conservation measures and options for alternative and renewable energy development for both electrification and space heating. The components of the project implementation are as follows:

- TCC/IRHA to compile, assess and review existing data sources for accuracy, relevancy and completeness; identify gaps.
- ACEP to create a template for data/information needed in each community. The draft template will be provided to Commission staff for review prior to traveling to communities. Upon completion of first 3 communities, template shall be revised, as necessary, in cooperation with Commission staff and other partners.
- Using newly created template, insert already existing data/information into each community template.
- TCC to contact all village tribal councils, city councils and other local entities to discuss this project and potential schedules for village visits.
- IRHA technicians and TCC and/or IRHA personnel will travel to each village and conduct site inspections of current power generation facilities, assess conservation measures and alternative energy strategies and to hold meetings with the community. Relevant transmission facilities shall be documented.
- ACEP will analyze data and write the Interior Regional Energy Plan to include data and analysis of appropriate near and long term actions and objectives.
- After analysis of data for similarities between communities, a Conceptual Design Report (CDR) for energy savings, renewable or alternative energy will be completed for select communities and/or group of communities.

- Disseminate Interior Regional Energy Plan to tribal councils in each village, state, federal and local governments and other funding agencies and policy makers.

Approach

The villages served by IRHA and TCC experience some of the highest energy costs in the nation while earning incomes significantly below the national and state median household incomes. With the lowest per capita incomes in the United States residents of the targeted communities continue to pay a disproportionately large share of their income for energy. Oil prices have increased over 50% since the year 2000; power for electricity in the villages is largely generated using diesel. Space heating is generally provided by using fuel oil. The communities served by this project are isolated and generally accessible year-round only by air. Not only are villages impacted by the increased cost of diesel for power generation and space heat, the increased cost of transportation is exacerbating a difficult situation. Overall energy consumption per household in rural Alaska is already significantly lower than in urban Alaska; the remaining strategies are to increase energy efficiencies and seek cost effective sources of alternative and renewable energy. Before these strategies can be enacted, assessments of existing conditions need to be conducted in order to make the most of limited resources.

This proposal provides for the development of an Interior Regional Energy Plan, which covers the 42 villages of the TCC region. This energy plan will take a village-by-village approach using a “three-legged stool” concept. All three legs are of equal importance and must be addressed in a comprehensive, integrated way:

- Current power generation facilities including electrification and space heat;
- Current and proposed conservation measures; and
- Options for alternative and renewable energy development.

Current power generation facilities:

Under this proposal, technicians from IRHA will make site inspections of the power plants and related energy infrastructure in all 42 villages in the TCC region. The inspections will result in assessments and data in the following areas:

- Make, model, and capacity of existing diesel generators;
- Analysis of community power usage (average and maximum load) compared with capacity of current generators;
- Calculation of fuel usage and system efficiency (i.e., number of Kilowatt-hours of power per gallon of fuel consumed);
- Evaluation of transmission capacity;
- Status of waste heat capture systems (which exist in some Interior villages, but not all) and potential re-plumbing upgrades; and
- Potential power plant upgrades (i.e., automatic switchgear).

- Other space heat measures

Conservation measures:

Both TCC and IRHA currently have weatherization programs to make homes and other buildings more energy efficient. Under this proposal, project staff will perform a comprehensive review of weatherization upgrades that have taken place or are scheduled, and develop a work plan for completing weatherization throughout the region. In addition, project staff will evaluate end-use electrical efficiency on a village-by-village basis in cooperation with AEA's Efficiency Program and Village End Use Efficiency Measures Program. Options worth considering include a coordination of programs in the Interior to take advantage of bulk purchasing and workforce development opportunities to train certified weatherization inspectors throughout the region.

Alternative and renewable energy:

As the State of Alaska has set a goal of deriving 50% of its energy from renewable sources by the year 2025, a comprehensive statewide inventory of such sources is essential. The focus will be on availability of timber, land ownership, geothermal potential in some communities, biomass, wind and hydro-kinetic. In addition, the Interior Regional Energy Plan will evaluate resource potential on a village and sub-regional basis.

A final component of the Interior Regional Energy Plan will be an action plan with near- and long-term objectives and final report. Generally speaking, the near-term strategy will focus on the first two "legs" of the stool—improving the efficiency of existing power generation systems and conservation—while developing alternative and renewable sources of power will be a long-term objective. The action plan will incorporate efforts by village, tribal, and state entities, non-profit groups, and others.

A draft table of contents for the Interior Regional Energy Plan might look like this:

- 1) Executive Summary
- 2) Introduction
 - a. Village profiles
 - b. Statement of need
 - c. Energy costs
- 3) Current power generation including space heat
 - a. Village inventory
 - b. Potential upgrades
 - c. Cost analysis
 - d. Priority list of projects
- 4) Conservation
 - a. Ongoing efforts and potential for expansion
- 5) Alternative and renewable energy

- a. Sub-regional inventory
- 6) Action plan
 - a. Near-term
 - b. Long-term

Conceptual Design Reports (CDR)

At the request of the Commission, up to \$30,000 (pass-thru) shall be dedicated to developing CDRs that will provide 35% design for specific projects in multiple communities.

Development of a template for this CDR will also be part of the work. The concept that “themes” across interior communities will emerge as this process unfolds should be further developed. Follow up discussions with the AEA on how to leverage the state energy inventory data into project development should occur. If there are known themes we can identify in the scope of work we should do so.

This may not include site assessment however will include specific scope and budget for a fundable capital/construction project. The goal shall be to complete this work with a potential funding entity as the target. No Commission funding may be committed to future construction until which time appropriations may become available, therefore other funding sources shall be explored as a factor in developing the CDR. Prior to completion of the CDR, Commission staff shall approve a refined scope of work.

Budget by organization:

| | Direct | Indirect Rate | Indirect Total | Total |
|----------|---------------|----------------------|-----------------------|------------------|
| TCC | \$16,860 | 31% | \$5,227 | \$22,087 |
| IRHA | \$154,918 | 20% | \$30,984 | \$185,902 |
| UAF/ACEP | \$42,606 | 45.1% | \$19,215 | \$61,821 |
| | \$214,384 | | \$55,426 | \$269,810 |
| CDR | \$30,000 | Pass-thru | \$0.00 | \$30,000 |
| | | | Total | \$299,810 |

Total Project Cost ***\$299,810***

All Commission funding is intended for use for the scope of work identified in the Award document only. Any balance of funds remaining after the full scope of work has been completed will be returned to the Denali Commission.

2. Milestones

The following milestones are identified as the major steps to be completed as part of the project. "Planned" dates for the first milestone are included here. As part of each progress report, recipients shall update the progress toward meeting these milestones (see section 7, Reporting).

| Milestone | Planned | | Actual | | Units | Total Cost At Completion |
|-------------------|---------------|-------------|---------------|-------------|-------|-----------------------------|
| | Start Date | End Date | Start Date | End Date | | |
| In Progress | 09/01/2010 | 09/30/2012 | | | 0 | \$0.00 |
| Project Close-out | 10/01/2012 | 12/30/2012 | | | 0 | \$0.00 |

3. Award Performance Period

The Award performance period is September 1, 2010 through September 30, 2012. This is the period during which Award recipients can incur obligations or costs against this Award.

4. Direct and Indirect Costs

The cost principles of OMB A-122 are applicable to this Award. Indirect costs up to 31% are allowable under this Award for the TCC scope of work. For sub-awards, indirect costs up to 45.1% are allowable for the UAF scope of work and indirect of 20% are allowable under this Award for the IRHA scopes of work.

These indirect costs include office space at the Chief Peter John Tribal Building (TCC headquarters) in Fairbanks, IRHA office in Fairbanks, telephone charges, photocopying, postage, administrative costs related to arranging travel, and other administrative costs that will be incurred by TCC, UAF, and IRHA in carrying out this Award. Please refer to the cost principles regulations for specific details on other allowable charges under this Award.

5. Budget and Program Revisions

The Administrative Circular, 2 CFR Part 215 (formerly OMB A-110), applies to this Award. Please refer to the Administrative Circular for specific details on revisions to this Award. The Administrative Circular requires that TCC will inform the Commission in writing (e-mail, letter, or report) at the earliest possible date of any unanticipated project cost overrun, project schedule delays, or changes in the project scope or changed site conditions.

6. Payments

Payments under this Award will be made by electronic transfer in response to a “Request for Advance or Reimbursement”, Standard Form 270 (SF-270) submitted by the TCC. Requests for reimbursements may be made as needed. The SF-270 must be submitted to the Denali Commission via fax, e-mail (finance@denali.gov) or mail in order for payment to be processed. The form is available on the OMB website:

http://www.whitehouse.gov/OMB/grants/grants_forms.html. Payments shall be made in accordance with 2 CFR Part 215. Please contact the Denali Commission’s Finance Specialist at (907) 271-1414 for further information about submitting this form. **No interest will be accrued on these funds.**

7. Reporting

Two forms of project reporting are required under this Award, listed below. TCC shall submit reports using the Denali Commission’s on-line Project Database System, available at www.denali.gov. If there are technical limitations which may prevent the recipient from meeting this requirement, please contact the Program Manager listed in this agreement.

- a. **Progress Reports** shall be submitted on a quarterly basis. The first reporting period is September 1, 2010 to September 30, 2010 and quarterly thereafter. Reports are due within 30 days of the end of the reporting period. Progress reports shall include the following:
 - i. Total project funding, including both Denali Commission funding and other project funding sources.
 - ii. The total project expenditures for the project as of the end of the reporting period, including both Denali Commission and Other funding sources.
 - iii. Updated schedule and milestone information as identified in the Scope of Work
 - iv. Narrative summary of the project status and accomplishments to date, and address the following questions: is the project on schedule, is the project on budget, and what actions are planned to address any project problems.
 - v. **Non-Construction Projects** For minor repair and renovation projects or other non-construction projects, pictures should be provided of before and after, or photos that are representative of the funded activity, to the extent possible. Photos shall be provided in a digital format as part of the on-line report. A short description of the activity and names of those in the photos shall also be provided.
- b. **Federal Single Audits** shall be submitted annually, when required. In accordance with OMB Circular A-133, which requires [subpart 200] “Non-Federal entities that expend \$500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the provisions of this part

[subpart 205]. The determination of when an award is expended should be based on when the activity related to the award occurs.”

Recipients shall also submit single audits to the Federal Clearinghouse as designated by OMB. Information can be found on the following web-site:
<http://harvester.census.gov/sac/>

8. *Project/Award Close-Out*

The project close-out report shall be completed within 90 days of the end of the Award performance period or within 90 days of the completion of the project, whichever is earlier. Recipients must also draw down any remaining funds for expenditures incurred under this award during this 90-day period.

The project close-out report shall be submitted on-line through the Denali Commission’s on-line Project Database System, available at www.denali.gov. The project close out will require the recipient to submit the following information:

- a. Final data for each item listed in paragraph 7(a) “Progress Reports”
- b. Final project expenditures itemized by the following categories: planning & design; materials & equipment; freight; labor; project administration/overhead and other expenses.
- c. Acknowledgement of support: For all non-construction projects, the Award recipient shall include an acknowledgement of the Government’s support for the project(s) developed under this Award. The format for acknowledgement of the Government’s support for non-construction awards will vary with each award and must be agreed upon between the Award recipient and the Denali Commission Project Manager. For all printed materials, communications, notices, etc. relating to the execution of this grant and its activities, the Denali Commission logo shall be included. Costs associated with this requirement shall be paid out of the project funding received by the Award recipient from the Denali Commission.

9. *Public Policy Laws and Assurances*

Award Recipients are required to comply with the public policy laws and assurances on Standard Forms SF 424b (non-construction projects). This form must also be signed by a certifying official of the organization. Some of the laws are highlighted below for your reference.

To the maximum extent practicable, considering applicable laws, Funding Recipients shall accomplish the project contemplated by the Award using local Alaska firms and labor.

No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

Project level environmental reviews in accordance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) are required for each project undertaken with Denali Commission funds.

10. Non-Compliance with Award Conditions

Recipients not in compliance with the terms and conditions of this Financial Assistance Award will be notified by the Denali Commission. The Denali Commission will work with the recipient to identify the steps necessary to bring them back into compliance, and will establish an appropriate time frame for the corrections to be made. If the corrections have not been made by the deadline, the Denali Commission reserves the right to either suspend or unilaterally terminate the Financial Assistance Award for non-performance.

11. Program Manager, Financial Manager & Other Contact Information

| Denali Commission | Tanana Chiefs Conference |
|--|--|
| Denali Daniels Program Manager 510 L Street, Suite 410 Anchorage, AK 99501 Phone: 907-271-1189 Fax: 907-271-1415 E-mail: ddaniels@denali.gov | Ross Coen Project Manager 122 1 st Avenue, Suite 319 Fairbanks, AK 99701 Phone: 907-452-8251, x3479 Fax: 907-474-5475 Email: ross.coen@tananachiefs.org |
| Betty Sorensen Grants Administrator 510 L Street, Suite 410 Anchorage, AK 99501 Phone: 907-271-3415 Fax: 907-271-1415 E-mail: bsorensen@denali.gov | Louise Chikigak Financial Contact 122 1 st Avenue, Suite 319 Fairbanks, AK 99701 Phone: 907-452-8251, x3127 Fax: 907-459-3850 Email: louise.chikigak@tananachiefs.org |

12. Other project specific paragraphs may be added here

In addition to reporting quarterly, TCC shall meet twice annually with the Commission to report lessons learned and project status.